98TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
No. 98-121

INCREASE OF PUBLIC DEBT LIMIT

MAY 13, 1983.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. ROSTENKOWSKI, from the Committee on Ways and Means, submitted the following

REPORT

[To accompany H.R. 2990]

The Committee on Ways and Means, to whom was referred the bill (H.R. 2990) to increase the temporary public debt limit, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. INCREASE IN PUBLIC DEBT LIMIT.

(a) GENERAL RULE.—Subsection (b) of section 3101 of title 31, United States Code, is amended by striking out "$400,000,000,000" and inserting in lieu thereof "$1,389,000,000,000".

(b) REPEAL OF TEMPORARY INCREASE.—Effective on the date of the enactment of this Act, the first section of the Act of September 30, 1982, entitled "Joint resolution to provide for a temporary increase in the public debt limit" (Public Law 97-270) is hereby repealed.

SEC. 2. INCREASE IN LIMIT ON LONG-TERM BONDS.

Subsection (a) of section 3102 of title 31, United States Code, is amended by striking out "$110,000,000,000" and inserting in lieu thereof "$150,000,000,000".

Amend the title of the bill so as to read:

A bill to increase the permanent public debt limit, and for other purposes.

I. SUMMARY

H.R. 2990 provides that the public debt limit will be increased to $1,389 billion. The bill increases the debt limit by $98.8 billion over the present law limit of $1,290.2 billion. H. Con. Res. 91, the House-passed budget resolution, recommends that the public debt limit be increased to the level specified in H.R. 2990.

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As amended by the Committee on Ways and Means, the bill would eliminate the distinction between the permanent and temporary debt limit. The $1,389 billion limit would thus be a permanent ceiling that could be modified only by future legislation.

In addition, the committee approved an increase of $40 billion in the authority for the Treasury to issue bonds bearing interest rates above 4¼ percent. The increase will raise to $150 billion the limit on the amount of bonds that may be issued to the public under the exception.

TABLE 1.—STATUTORY DEBT LIMITATIONS, FISCAL YEARS 1947 TO DATE, AND PROPOSED PERMANENT LIMIT

[In billions of dollars]

Fiscal year	Statutory debt limitation		
	Permanent	Temporary additional	Total
1947–54	275	.....	275
1955 through Aug. 27	275	.....	275
1955: Aug. 28 through June 30	275	6	281
1956	275	6	281
1957	275	3	278
1958 through Feb. 25	275	.....	275
1958: Feb. 26 through June 30	275	5	280
1959 through Sept. 1	275	5	280
1959: Sept. 2 through June 29	283	5	288
1959: June 30	288	5	290
1960	285	10	295
1961	285	8	293
1962 through Mar. 12	285	13	298
1962: Mar. 13 through June 30	285	15	300
1963 through Mar. 31	285	23	308
1963: Apr. 1 through May 28	285	20	305
1963: May 29 through June 30	285	22	307
1964 through Nov. 30	285	24	309
1964: Dec. 1 through June 28	285	30	315
1964: June 29 and 30	285	30	342
1965	285	39	324
1966	285	43	328
1967 through Mar. 1	285	45	330
1967: Mar. 2 through June 30	285	51	336
1968 [1]	358	.....	358
1969 through Apr. 6 [1]	358	7	365
1969 after Apr. 6 [1]	358	.....	358
1970 through June 30 [1]	365	12	377
1971 through June 30 [1]	380	15	395
1972 through June 30 [1]	400	50	450
1973 through Oct. 31 [1]	400	50	450
1973 through June 30 [1]	400	65	465
1974 through Nov. 30 [1]	400	65	465
1974: Dec. 3 through June 30 [1]	400	75.7	475.7
1975 through Feb. 18 [1]	400	95	495
1975: Feb. 19 through June 30 [1]	400	131	531
1976 through Nov. 15 [1]	400	177	577
1976 through Mar. 15 [1]	400	195	595
1976 through June 30 [1]	400	227	627
TQ: from enactment through Sept 30, 1971 [1]	400	236	636
1977: from Oct. 1, 1976 through Mar. 31, 1977 [1]	400	282	682

TABLE 1.—STATUTORY DEBT LIMITATIONS, FISCAL YEARS 1947 TO DATE, AND PROPOSED PERMANENT LIMIT—CONTINUED

[In billions of dollars]

Fiscal year	Permanent	Statutory debt limitation	
		Temporary additional	Total
1977: from Apr. 1 through Sept. 30, 1977 [1]	400	300	700
1978: from Oct. 1, 1977, through July 31, 1978 [1]	400	352	752
1978: from Aug. 3, 1978, through Mar. 31, 1979 [1]	400	398	798
1979: from Apr. 2 through Sept. 30, 1979 [1]	400	430	830
1980 through June 30, 1980 [1]	400	479	879
1981 through Feb. 28, 1981 [1]	400	525	925
1981 through Sept. 30, 1981 [1]	400	535.1	93.1
1981 through Sept. 30, 1981 [1]	400	585	985
1982 through Sept. 30, 1982 [1]	400	679.8	1,079.8
1982 through Sept. 30, 1982 [1]	400	743.1	1,143.1
1983 through Sept. 30, 1983 [1]	400	890.2	1,290.2
Proposed: From enactment [1]	1,389.2		1,389.2

[1] Includes FNMA participation certificates issued in fiscal year 1968.

II. EXPLANATION OF PROVISIONS

A. Increase in the Limit on the Public Debt

Present Law

The combined permanent and temporary debt limit is $1,290.2 billion, which is in effect through September 30, 1983. This limit is the combination of the permanent debt limit of $400 billion, which has no expiration date, and the temporary debt limit of $890.2 billion, which will expire after September 30, 1983.

Reasons for Change

The outstanding public debt was $1,256.3 billion at the close of business on May 9, 1983. The Treasury Department estimates that the current debt limit will be sufficient to meet the financing needs of the Federal Government only through May 31, 1983.

May financing needs

The Treasury Department announced plans to raise an additional $9.8 billion this month as part of its quarterly financing plan. In addition, about $23 billion will be transferred from the general fund to the OASDI and HI trust funds on May 20, 1983, in payment of noncontributory military wage credits, as required by the Social Security Act Amendments of 1983. The funds will be invested immediately in special issues of Federal debt, and the investment will increase by that amount the public debt subject to limit. The Social Security Act Amendments of 1983 also require that estimated re-

ceipts of the trust funds for each month be invested in Federal securities on the first day of each month. This provision becomes effective on June 1, 1983. June receipts are estimated at $16 billion. Until now, social security trust funds receipts were invested at intervals during the month as received or on the last day of the month.

Recommended public debt levels

The House-passed budget resolution, H. Con. Res. 91, recommended that the appropriate level of the public debt limit is $1,389.2 billion for fiscal year 1983.

In testimony before the Committee on Ways and Means, the Administration testified that the public debt level necessary to meet financial requirements under present law through September 30, 1983, is $1,388.2 billion. This level of debt assumes a constant operating cash balance at $20 billion. The Treasury Department usually requests an additional $5 billion in debt limit as an allowance for contingencies, which would increase the desired debt limit to $1,393 billion. In testimony before the committee, the Treasury Department indicated that the full $5 billion allowance for contingencies could be foregone in view of the short period between now and the end of the fiscal year.

TABLE 2.—ADMINISTRATION ESTIMATE OF PUBLIC DEBT SUBJECT TO LIMITATION,[1] FISCAL YEAR 1983

Date	Cash	Debt	With constant $20.0 balance	With $5.0 billion contingencies
1982		*Actual*		
October 29	14.1	1,143.7	.....	.....
November 30	5.2	1,162.6	.....	.....
December 31	19.8	1,197.9	.....	.....
1983				
January 31	17.5	1,201.9	.....	.....
February 28	10.0	1,216.1	.....	.....
March 31	15.5	1,245.3	.....	.....
April 29	24.1	1,248.7	.....	.....
		Estimated		
May 31	10.5	1,299.9	1,309.4	1,314.4
June 30	22.6	1,318.5	1,315.9	1,320.9
July 29	10.0	1,325.9	1,335.9	1,340.9
August 31	8.0	1,354.2	1,366.2	1,371.2
September 30	20.0	1,388.2	1,388.2	1,393.2

[1] Based on estimates of budget receipts of $598 billion, budget outlays of $808 billion, unified budget deficit $210 billion, and off-budget outlays of $17 billion.

Source: Treasury Department.

Table 2 presents Treasury Department estimates of its public debt limit requirements on the last working day of each month remaining in this fiscal year and shows the end of fiscal year 1983 requirements for $1,388.2 billion, without an allowance for contingencies.

Explanation of Provision

Increase in public debt limit

The Committee on Ways and Means approved the increase in public debt limit proposed in H.R. 2990 to $1,389 billion. As amended by the committee, the bill would eliminate the distinction between the permanent and temporary debt limit. The $1,389 billion limit would thus be a permanent ceiling that could be modified only by future legislation.

Recommendations in the House budget resolution (H. Con. Res. 91) and the Administration's testimony that the present debt limit be increased to $1,389 billion to accommodate financing needs through September 30, 1983, were sufficiently persuasive of the need to set the public debt limit at that level.

The committee recognized the need to approve an increase in the public debt limit before the end of this month because of the net increase of about $10 billion in borrowing from the public this month, the $23 billion transfer of noncontributory military wage credits on May 20, and the investment in Federal securities on June 1 of estimated social security trust funds receipts of $16 billion for June 1983.

Permanent debt limit

In 1956, Congress enacted a permanent debt limit of $275 billion. That level was $25 billion below the $300 billion limit that was approved in 1945. Subsequent increases in the public debt limit were enacted for temporary periods, obviously in the belief that historical precedents established a reasonable expectation that the public debt could decline to the permanent level.

By 1971, Congress believed that any success in controlling the growth of the public debt was not likely to be reflected in a decrease in the level to $275 billion, and it enacted a new permanent level for the public debt limit at $400 billion. Since then, all increases in the public debt limit have been temporary increases for a limited time period. The debt limit approved by the committee in this bill is 2½ times greater than the $400 billion permanent limit.

Many Members of Congress believed that by retaining a temporary public debt limit, it would be possible to limit effectively the growth in government activity. That reasoning motivated Congress to continue the $400 billion limit for more than a decade, even though there were annual budgetary deficits and the public debt level continued to increase because of budget deficits and financing off-budget agencies.

Use of the combined permanent and temporary public debt limits complicated both debt management and congressional procedure. If an increase of the temporary debt limit were not enacted before expiration of the current limit, the authorized debt limit would fall to the substantially lower permanent debt limit, and no debt could be

issued lawfully until Congress acted on the debt limit. As a result, the Federal Government would be able to meet its obligations only to the extent that the inflow of receipts and the operating cash balance provided sufficient funds for doing so. The Treasury Department, in anticipation of this difficulty, would issue warnings that savings bonds sales might be discontinued, and it also would revise the timing and amounts of money market transactions in order to prevent issuing unauthorized debt. As a result, the Treasury Department also would be unable even to refund maturing debt. Congress would feel that the urgent need to avoid the threat of default would preclude debate about the underlying fiscal problems and normal legislative procedures often would be rushed or truncated in order to enact a timely increase in the debt limit.

The committee concluded that the distinction between the $400 billion permanent debt limit and a temporary ceiling that is periodically revised has outlived whatever usefulness it may have had. The distinction also has become a source of confusion to the public. Therefore, the committee amended the bill and approved the increased public debt limit as a permanent level of the public debt and recommended repeal of the temporary limit.

B. Increased Exception From 4¼ Percent Limit on Interest Rate

Present Law

Obligations of the United States are defined as bonds if they have a maturity when issued that is longer than 10 years. The rate of interest that may be paid on a bond may not exceed 4¼ percent, except that up to $110 billion in outstanding bonds with rates of interest above 4¼ percent may be issued to the public. The exception for a specified amount of bonds—initially $10 billion—was enacted in 1971, and it applied to all bonds with rates above the ceiling. An amendment in 1973 applied the limitation only to bonds held by the public, i.e., holdings of Federal agencies and the Federal Reserve Banks were not included.

Reasons for Change

The Treasury Department presently has used about $90 billion of this authority to issue bonds with interest rates above 4¼ percent. The remaining authority is expected to be used up with bond issues through the rest of 1983 or early in 1984.

The Treasury Department usually requests additions to this bond authority when it seeks needed increases in the public debt limit. It has requested an additional $40 billion in authority at this time so that it may plan the amount and timing of bond issues for the next several quarters. In addition, participants in the money market also would be able to do longer-run planning. The ability to plan sales and purchases of the bonds reasonably far into the future can contribute to a more stable money market and lower borrowing costs.

The Treasury Department also believes that it must continue to issue bonds to continue a presence in all maturity sectors of the bond market and to resist shortening the maturity of the public debt. About half of the privately held marketable debt matures in

one year and two-thirds within 2 years. The average maturity presently is 3 years and 10 months.

Explanation of Provision

The bill increases the exception from the interest rate ceiling by $40 billion, thus raising the exception to $150 billion. The Treasury Department will be able to continue to operate in the long-term bond market through 1984 with its current scheduling for long-term bonds.

III. APPENDIX

TABLE I.—DEBT LIMITATIONS UNDER SEC. 21 OF THE SECOND LIBERTY BOND ACT AS AMENDED—HISTORY OF LEGISLATION

	In billions
Sept. 24, 1917:	
40 Stat. 288, sec. 1, authorized bonds in the amount of	[1] $7.5
40 Stat. 290, sec. 5, authorized certificates of indebtedness outstanding revolving authority	[2] 4.0
Apr. 4, 1918:	
40 Stat. 502 amending sec. 1, increased bond authority to	[1] 12.0
40 Stat. 504, amending sec. 5, increased authority for certificates outstanding to	[3] 8.0
July 9, 1918: 40 Stat. 844, amending sec. 1, increased bond authority to	[2] 20.0
Mar. 3, 1919:	
40 Stat. 13, amending sec. 5, increased authority for certificates outstanding to	[2] 10.0
40 Stat. 1309, new sec. 18 added, authorizing note in the amount of	[1] 7.0
Nov. 23, 1921: 42 Stat. 321 amending sec. 18, increased note authority outstanding (established revolving authority) to	[2] 7.5
June 17, 1929: 46 Stat. 19 amending sec. 5, authorized bills in lieu of certificates of indebtedness; no change in limitation for the outstanding	[2] 10.0
Mar. 30, 1931: 46 Stat. 1506 amending sec. 1, increased bond authority to	[1] 28.0
Jan. 30, 1934; 49 Stat. 343 amending sec. 18, increased authority for notes outstanding to	[1] 10.0
Feb. 4, 1935:	
49 Stat. amending sec. 1, limited bonds outstanding (establishing revolving authority) to	[2] 25.0
49 Stat. 21, new sec. 21 added, consolidating authority for certificates and bills (sec. 5) and authority for notes (sec. 18); same aggregate amount outstanding	[2] 20.0
49 Stat. 21, new sec. 22 added, authorizing U.S. savings bonds within authority of sec. 1	
May 26, 1938: 52 Stat. 447, amending secs. 1 and 21, consolidating in sec. 21 authority for bonds, certificates of indebtedness, Treasury bills, and notes (outstanding bonds limited to $30,000,000,000). Same aggregate total outstanding	[2] 45.0
July 20, 1939: 53 Stat. 1071, amending sec. 21, removed limitations on bonds without changing total authorized outstanding bond, certificates of indebtedness, bills and notes	[2] 45.0
July 25, 1940: 54 Stat. 526, amending sec. 31, adding new paragraph: "(b) In addition to the amount authorized by the preceding paragraph of this section, any obligation authorized by secs. 5 and 18 of this Act, as amended, not to exceed in the aggregate $4,000,000,000 outstanding at any one time, less any retirements made from the special funds made available under sec. 301 of the Revenues Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor. Any such obligations so issued shall be designated 'National Defense Series' "	[2] 49.0
Feb. 19, 1941: 55 Stat. 7, amending sec. 21, limiting face amount of obligations issued under authority of act outstanding at any one time to	[2] 65.0
Eliminated separated authority for $4,000,000,000 of national defense series obligations	[2] 65.0
Mar. 28, 1942: 56 Stat. 189, amending sec. 21, increased limitation to	[2] 125.0
Apr. 11, 1943: 57 Stat. 63, amending sec. 21, increased limitation to	[2] 210.0

See footnotes at end of table.

Apr. 3, 1945: 59 Stat. 47, amending sec. 21 to read: "The face amount of obligations issued under authority of this act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall not exceed in the aggregate, $300,000,000 outstanding at one time" ..... [2] 300.0

June 26, 1946: 60 Stat. 316, amending sec. 21, adding: "The current redemption value of any obligation issued on a discount basis which is redeemable to maturity at the option of the holder thereof, shall be considered, for the purposes of this section to be the face amount of such obligation," and decreasing limitations to ..... [2] 278.0

Aug. 28, 1954: 68 Stat. 895, amending sec. 21, effective Aug. 28, 1954, and ending June 30, 1955, increasing temporary limitation by $6,000,000,000 to ..... [2] 281.0

June 30, 1955: 69 Stat. 241, amending Aug. 28, 1954, act by extending until June 30, 1956, increase in limitation to ..... [2] 281.0

July 9, 1956: 70 Stat. 519, amending act of Aug. 28, 1954, increasing temporary limitation by $30,000,000,000 for period, beginning July 1, 1955, and ending June 30, 1957 to ..... [2] 278.0

Effective July 1, 1957, temporary increase terminates and limitation reverts, under act of June 26, 1956, to ..... [2] 275.0

Feb. 26, 1958: 72 Stat. 27, amending sec. 21, effective Feb. 26, 1958, and ending June 30, 1969, increasing limitation by $5,000,000,000 ..... [2] 280.0

Sept. 2, 1958: 72 Stat. 1758, amending sec. 21, increasing limitation by $5,000,000,000 ..... [2] 280.0

Sept. 2, 1958: 72 Stat. 1758, amending sec. 21, increasing limitation to $283,000,000,000, which with temporary increase of Feb. 26, 1958, makes limitation ..... [2] 288.0

June 30, 1959: Stat. 156, amending sec. 21, effective June 30, 1959, increasing limitation to $295,000,000,000, which with temporary increase Feb. 26, 1958, makes limitation on June 30, 1959 ..... [2] 290.0

Amending sec. 21, increasing limitation by $10,000,000,000, for period beginning July 1, 1959, and ending June 30, 1960, which makes limitation beginning July 3, 1959 ..... [2] 295.0

July 30, 1960: 74 Stat. 290, amending sec. 21, for period beginning on July 1, 1960, and ending June 30, 1961, temporarily increasing limitation by $8,000,000,000 ..... [2] 293.0

June 30, 1961: 75 Stat. 148, amending sec. 31, for period beginning on July 1, 1961, and ending June 3, 1972, increasing limitation by $13,000,000,000 to ..... [2] 298.0

Mar. 13, 1962: 75 Stat. 23, amending sec. 21, for period beginning on Mar. 13, 1962, and ending June 3, 1962, further increasing limitation by $2,000,000,000 ..... [2] 300.0

July 1, 1962: 76 Stat. 124 as amended by 77 Stat. 50, amending sec. 21, for period—

1. Beginning July 1, 1962, and ending Mar. 31, 1963 ..... [2] 308.0
2. Beginning Apr. 1, 1963, and ending June 24, 1963 ..... [2] 305.0
3. Beginning June 25, 1963, and ending June 30, 1963 ..... [2] 300.0

May 29, 1963: 77 Stat. 50, amending sec. 21, for period—

1. Beginning May 29, 1963, and ending June 30, 1963 ..... [2] 307.0
2. Beginning July 1, 1963, and ending Aug. 31, 1963 ..... [2] 309.0

Aug. 27, 1963: 77 Stat. 131, amending sec. 21, for the period beginning on Sept. 1, 1963, and ending on Nov. 30, 1963 ..... [2] 309.0

Nov. 26, 1963: Stat. 342, amending sec. 21, for the period—

1. Beginning on Dec. 1, 1963, and ending June 29, 1964 ..... [2] 315.0
2. On June 30, 1964 ..... [2] 309.0

June 29, 1964: 78 Stat. 225, amending sec. 21, for the period beginning June 29, 1964, and ending on June 30, 1965, increasing the temporary debt limit to ..... [2] 324.0

June 24, 1965: 79 Stat. 172, amending sec. 21, for the period beginning July 1, 1965, and ending on June 30, 1966, increasing the temporary debt limit to ..... [2] 328.0

June 24, 1966: 80 Stat. 21, amending sec. 21, for the period beginning July 1, 1966, and ending on June 30, 1967, increasing the temporary debt limit to ..... [2] 330.0

Mar. 2, 1967: 81 Stat. 4, amending sec. 21, for the period beginning Mar. 2, 1967, and ending on June 30, 1967, increasing the temporary debt limit to ..... [2] 336.0

June 30, 1967: 81 Stat. 99—

1. Amending sec. 21, effective June 30, 1967, increasing limitation to.. ..... [2] 358.0
2. Increasing the temporary debt limit by $7,000,000,000 for the period from July 1 to June 29 of each year, to make the limit for such period ..... [2] 365.0

Apr. 7, 1969: 84 Stat. 7—

1. Amending sec. 21, effective Apr. 7, 1969, increasing debt limitation to ..... [2] 365.0
2. Increasing the temporary debt limit by $12,000,000,000 for the period from Apr. 7, 1969, through June 30, 1970, to make the limit for such period ..... [2] 377.0

June 30, 1970: 84 Stat. 368—

1. Amending sec. 21, effective July 1, 1970, increasing debt limitation to ..... [2] 380.0
2. Increasing the temporary debt limit by $15,000,000,000 for the period from July 1, 1970, through June 20, 1971, to make the limit for such period ..... [2] 395.0

Mar. 17, 1971: 85 Stat. 5—

1. Amending sec. 21, effective Mar. 17, 1972, increasing debt limitation to ..... [2] 400.0
2. Increasing the temporary debt limit by $30,000,000,000 for the period from Mar. 17, 1971, through June 30, 1972, to make the limit for such period ..... [2] 430.0

Mar. 15, 1972: 86 Stat. 63, increasing the temporary debt limit by an additional $20,000,000,000 for the period from Mar. 15, 1972, through June 30, 1972, to make the limit for such period ..... [2] 450.0

July 1, 1972: 86 Stat. 406, extending the temporary debt limit of $50,000,000,000 for the period from July 1, through Oct. 31, 1972 to make the limit for such period ..... [2] 450.0

Oct. 27, 1972: 86 Stat. 1324, increasing the temporary public debt by $65,000,000,000 for the period from Nov. 1, 1972, through June 30, 1974, to make the limit for such period ..... [2] 465.0

July 1, 1973: 87 Stat. 134, extending the temporary debt limit of $65,000,000,000 for the period from June 30, 1973, through Nov. 30, 1973, to make the limit for such period ..... [2] 465.0

Dec. 3, 1973: 87 Stat. 691, increasing the temporary debt limit by $75,700,000,000 for the period from Dec. 7, 1973, through June 30, 1974, to make the limit for such period ..... [2] 475.7

June 30, 1974: 88 Stat. 285, increasing the temporary debt limit by $95,000,000,000 for the period from June 3, 1974, through Mar. 31, 1975, to make the limit for such period ..... [2] 495.0

Feb. 19, 1975: 89 Stat. 5, increasing the temporary debt limit by $131,000,000,000 for the period from Feb. 10, 1975, through June 3, 1976, to make the limit for such period ..... [2] 531.0

June 30, 1975: 89 Stat. 245, increasing the temporary debt limit by $177,000,000,000 for the period from June 30, 1975, through Nov. 16, 1975, to make the limit for such period ..... [2] 577.0

Nov. 14, 1975: 89 Stat. 693, increasing the temporary debt limit by $195,000,000,000 for the period from Nov. 14, 1975, through Mar. 15, 1975, to make the limit for such period ..... [2] 595.0

Mar. 15, 1976: 90 Stat. 217, increasing the temporary debt limit by $227,000,000,000 for the period from Mar. 15, 1976, through June 30, 1976, to make the limit for such period ..... [2] 627.0

June 30, 1976: 90 Stat. 793—

1. Increasing the temporary debt limit by $236,000,000,000 for the period from July 1, 1976, through Sept. 30, 1976, to make the limit for such period ..... [2] 636.0
2. Increasing the temporary debt limit by $282,000,000,000 for the period from Oct. 1, 1976, through Mar. 3, 1977, to make the limit for such period ..... [2] 682.0
3. Increasing the temporary debt limit by $300,000,000,000 for the period from Apr. 2, 1977, through Sept. 30, 1977, to make the limit for such period ..... [2] 700.0

Oct. 4, 1977: 91 Stat. 1090, increasing the temporary debt limit by $352,000,000,000 for the period from the date of enactment through Mar. 31, 1978, to make the limit for such period	[2] 752.0
Mar. 27, 1978: 92 Stat. 185, extending the temporary debt limit of $352,000,000,000 from the date of enactment through July 31, 1978, to make the limit for such period	[2] 752.0
Aug. 3, 1978: 92 Stat. 419, increasing the temporary debt limit by $398,000,000,000 from the date of enactment through Mar. 31, 1979, to make the limit for such period	[2] 798.0
Apr. 2, 1979: 93 Stat. 8, increasing the temporary debt limit by $430,000,000,000 from the date of enactment through September 30, 1979, to make the limit for such period	[2] 830.0
Sept. 29, 1979: 93 Stat. 589, increasing the temporary debt limit by $479,000,000,000 from the date of enactment through May 31, 1980, to make the limit for such period	[2] 879.0
May 30, 1980: 94 Stat. 421, increasing the temporary debt limit by $479,000,000,000 from the date of enactment through June 5, 1980, to make the limit for such period	[2] 879.0
June 6, 1980: 94 Stat. 439, increasing the temporary debt limit by $479,000,000,000 from the date of enactment through June 30, 1980, to make the limit for such period	[2] 879.0
June 28, 1980: 94 Stat. 598, increasing the temporary debt limit by $525,000,000,000 from the date of enactment through February 28, 1981, to make the limit for such period	[2] 925.0
December 19, 1980: 94 Stat. 3261, increasing the temporary debt limit by $535,100,000,000 from the date of enactment through September 30, 1981 to make the limit for such period	[2] 935.1
February 7, 1981: 95 Stat. 4, increasing the temporary debt limit by $585,000,000,000 from the date of enactment through September 30, 1981, to make the limit for such period	[2] 985.0
September 30, 1981: 95 Stat. 955, increasing the temporary debt limit by $599,800,000,000 from the date of enactment through September 30, 1981, to make the limit for such period	[2] 999.8
September 30, 1981: 95 Stat. 956, increasing the temporary debt limit by $679,800,000,000 from the date of enactment through September 30, 1982, to make the limit for such period	[2] 1,079.8
June 28, 1982: 96 Stat. 130, increasing the temporary public debt limit by $743,100,000,000 from the date of enactment through September 30, 1982, to make the limit for such period	[2] 1,143.1
September 30, 1982: 96 Stat. 270, increasing the temporary public debt limit by $890,200,000,000 during the period beginning on October 1, 1982, and ending on September 30, 1983, to make the limit for such period	[2] 1,290.2

[1] Limitation on issue.
[2] Limitation on outstanding.

TABLE II.—OUTSTANDING PUBLIC DEBT SUBJECT TO LIMITATION AT END OF FISCAL YEARS 1916–82, AND ON MAY 9, 1983

Fiscal year:	*Millions*	Fiscal year:	*Millions*
1916	$1,225	1950	$255,382
1917	2,976	1951	253,283
1918	12,455	1952	257,233
1919	25,485	1953	264,220
1920	24,299	1954	269,379
1921	23,977	1955	272,348
1922	22,963	1956	270,619
1923	22,350	1957	269,120
1924	21,251	1958	275,395
1925	20,516	1959	282,419
1926	19,643	1960	283,827
1927	18,512	1961	286,308
1928	17,604	1962	296,374
1929	16,931	1963	302,923
1930	16,185	1964	308,583
1931	16,801	1965	314,126
1932	19,487	1966	316,293
1933	22,539	1967	323,143
1934	27,053	1968	[1] 348,534
1935	28,701	1969	[1] 356,107
1936	33,779	1970	[1] 372,600
1937	36,425	1971	[1] 398,650
1938	36,882	1972	[1] 427,751
1939	40,371	1973	[1] 458,264
1940	43,219	1974	[1] 475,181
1941	49,494	1975	[1] 534,207
1942	74,154	1976	[1] 620,556
1943	140,469	Transition quarter	[1] 635,822
1944	208,077	1977	[1] 699,963
1945	268,671	1978	[1] 772,691
1946	268,932	1979	[1] 827,614
1947	255,767	1980	[1] 908,723
1948	250,381	1981	[1] 998,818
1949	250,965	1982	1,142,913
		1983	[2] 1,256,332

[1] Includes FNMA participation certificates issued in fiscal year 1968 in debt of fiscal years 1968–83.
[2] Debt at close of business, May 9, 1983.

Source: Annual Report of the Secretary of the Treasury for fiscal year 1923, table 34, p. 544, for 1916–17; Annual Report for fiscal year 1962, table 507, for 1938 and 1939; Annual Report for fiscal year 1976. Statistical Appendix, table 21, p. 67, for 1940–76; Treasury Bulletin, November 1982, table FD–8, p. 24 for 1977 through 1982, and Daily Treasury Statement 1983.

IV. COSTS OF CARRYING OUT THE BILL AND VOTE OF THE COMMITTEE IN REPORTING THE BILL

Budget Effects

In compliance with clause 7 of Rule XIII of the Rules of the House of Representatives, the following statement is made relative to the effect on the revenues of H.R. 2990, as reported.

The committee does not believe that the changes made by this bill in the debt limit will result in any costs, either in the current fiscal year or in any of the 5 fiscal years following that year. The changes in debt management authority also should not raise costs and, in the long run, may reduce debt management costs.

The Treasury Department agrees with this statement.

Committee Vote

In compliance with clasue 2(l)(2)(B) of Rule XI of the Rules of the House of Representatives, the following statement is made relative to the vote by the committee on the motion to report the bill. The bill, as amended, was ordered favorably reported by a vote of 26 in favor and 2 opposed.

V. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 31, UNITED STATES CODE

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SUBTITLE III—FINANCIAL MANAGEMENT

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CHAPTER 31—PUBLIC DEBT

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SUBCHAPTER I—BORROWING AUTHORITY

§ 3101. Public debt limit

(a) In this section, the current redemption value of an obligation issued on a discount basis and redeemable before maturity at the option of its holder is deemed to be the face amount of the obligation.

(b) The face amount of obligations issued under this chapter and the face amount of obligations whose principal and interest are guaranteed by the United States Government (except guaranteed obligations held by the Secretary of the Treasury) may not be more than [$400,000,000,000] *$1,389,000,000,000* outstanding at one time, subject to changes periodically made in that amount as provided by law through the congressional budget process described in Rule XLIX of the Rules of the House of Representatives or otherwise.

(c) The face amount of beneficial interests and participations (except those held by their issuer) issued under section 302(c) of the National Housing Act (12 U.S.C. 1717(c)) from July 1, 1967, through June 30, 1968, and outstanding at any time shall be included in the amount taken into account in deciding whether the face amount requirement of subsection (b) of this section has been exceeded. This subsection does not require a change in the budgetary accounting for beneficial interests and participations.

§ 3102. Bonds

(a) With the approval of the President, the Secretary of the Treasury may borrow on the credit of the United States Government amounts necessary for expenditures authorized by law and may issue bonds of the Government for the amounts borrowed and may buy, redeem, and make refunds under section 311 of this title. The Secretary may issue bonds authorized by this section to the public and to Government accounts at any annual interest rate and prescribe conditions under section 3121 of this title. However, the face amount of bonds issued under this section and held by the public with interest rates of more than 4.25 percent a year may not be more than [$110,000,000,000] *$150,000,000,000.*

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ACT OF SEPTEMBER 30, 1982

Joint Resolution To Provide for a Temporary Increase in the Public Debt Limit

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, [That during the period beginning on October 1, 1982, and ending on September 30, 1983, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by $890,200,000,000 (and any other provision of law providing for a temporary increase in such limit shall not apply).]

VI. OTHER MATTERS REQUIRED TO BE DISCUSSED UNDER HOUSE RULES

In compliance with clauses 2(1)(3) and 2(1)(4) of Rule XI of the Rules of the House of Representatives, the following statements are made with respect to committee's action on H.R. 2990, as reported.

Oversight Findings

With regard to subdivision (A) of clause (2)(3), the committee advises that its hearings led to the conclusion that an increase in the public debt limit is required at the present time because the statutory temporary limitation in present law will be insufficient after May 31, 1983 to refund outstanding debt as it matures and to make payments for authorized government operations from the general fund in the Treasury Department. The change in the amount of bond authority is need to allow the Treasury Department to continue a long-run position in the bond market. The committee held a public hearing on May 12, 1983, relating to the proposed increase in the public debt limit and the amount of bonds that may be issued under the exception to the interest limitation.

New Budget Authority and Tax Expenditures

In compliance with subdivision (B) of clause 2(1)(3), the committee states that the changes made by the bill provide no new budget authority and no new increased tax expenditures.

Consultation with Congressional Budget Office on Budget Estimates

With respect to subdivision (C) of clause 2(1)(3), the committee advises that no estimate or comparison has been prepared by the Director of the Congressional Budget Office relative to any of the provisions of H.R. 2990.

Oversight by Committee on Government Relations

With respect to subdivision (D) of clause 2(1)(3), the committee advises that no oversight findings or recommendations have been submitted to the committee by the Committee on Government Operations regarding the subject matter of the committee bill.

Inflationary Impact

In compliance with clause 2(1)(4) of Rule XI, the committee states that the debt limitation and debt management changes are not expected to have an inflationary impact on prices and in costs in the operation of the national economy.

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